

CHAIRMAN'S STATEMENT 主席匯報



Looking back on 2019, it will be remembered as a year when Hong Kong was deeply impacted by social instability, only to be overshadowed by the onset of the novel coronavirus (COVID-19) outbreak at year's end. The first half of the year began on a positive note but then the economy suffered an abrupt deterioration in the second half. Gross Domestic Product contracted by about 1.3%, down heavily from the growth of 3.0% in 2018 and 3.8% in 2017. Retail sales shrank 10% along with a sharp fall of 14% in tourist arrivals. Both imports and exports of goods registered negative growth, resulting in a 5.4% year-on-year decrease in total trade. Uncertainties over the local economic slowdown caused by the U.S.-China trade tensions dampened the local property market, and business sentiment towards the end of the year turned pessimistic. Falling USD LIBOR rates strengthened the Hong Kong Dollar and pushed down the USD/HKD exchange rate to nearly HK\$7.80. This development, together with the strong liquidity in the local market, led to a decrease in the Hong Kong Dollar prime rate in November 2019, marking the first prime rate reduction in more than a decade.

Amid these volatile market conditions, Fubon Bank (Hong Kong) Limited ("the Bank") continued to follow a prudent growth strategy to grow its interest earning assets and expand its wealth management business. However, while the Bank's operating profit increased by 3% to HK\$721 million, the sale of our entire shareholding in Xiamen Bank Co., Ltd ("Xiamen Bank") to our parent company in November 2018 led to a significant reduction in the Bank's non-operating income. As a result, the Bank recorded a net profit of HK\$601 million for the year ending 31 December 2019, a 27% decrease when compared with 2018.

On the corporate banking business side, we continued to expand our market penetration in this sector. Net interest income and credit fee income from our corporate customers registered a double-digit increase. This was attributed to solid increases in loans and deposits, and modest gains in spreads. We continuously strive to introduce even easier access to bank financing and banking services through the use of internet and mobile banking technologies. Our aim is to become a valuable banking partner to our corporate customers. Leveraging on the Fubon Group's extensive network in the region, we continued to deepen relationships with customers by providing a wide range of trade-related and general banking services through collaboration with Fubon Bank (China) and Xiamen Bank.

2019年將是令人回想為香港深受社會動盪局勢影響的一年，直至年底才被新型冠狀病毒爆發的陰霾所籠罩。去年經濟於上半年開始時出現利好消息，但下半年卻突然轉差。本地生產總值下跌近1.3%，大幅低於2018年錄得3.0%增長以及2017年錄得3.8%增長。隨著訪港旅客銳減14%，零售業銷售額下跌10%。貨物進出口均出現負增長，貿易總額按年下跌5.4%。由中美貿易戰所導致本地經濟放緩的不確定性增加，對本地物業市場造成打擊，年末營商情緒更轉趨悲觀。美元倫敦銀行同業拆息下跌令港元走強，並將美元兌港元匯率推低至接近每美元兌7.80港元。此發展加上本地市場流動資金充裕，導致港元最優惠利率於2019年11月下調，為十多年來的首次。

在波動的市場情況下，富邦銀行(香港)有限公司(「本行」)繼續採取穩中求進的策略，以增加生息資產及拓展財富管理業務。然而，儘管本行的經營溢利增加3%至7.21億港元，但由於本行於2018年11月向母公司出售廈門銀行股份有限公司(「廈門銀行」)的全部股份，導致本行非營運收入大幅減少。因此，本行於截至2019年12月31日止錄得全年淨溢利6.01億港元，較2018年減少27%。

在企業金融業務方面，本行繼續擴大在該領域的市場滲透率。受惠於貸款及存款穩健增長，以及息差溫和擴闊，來自企業客戶的淨利息收入及信貸費用收入錄得雙位數增長。我們繼續致力透過互聯網及流動理財技術，提供更便捷的融資及銀行服務。我們旨在成為企業客戶重要的銀行夥伴。憑藉富邦集團在區內的龐大網絡，以及透過與富邦華一銀行及廈門銀行合作，我們繼續為客戶提供多元化的貿易相關及一般銀行服務，並深化與他們的關係。

Our Bank is committed to Hong Kong's small-and-medium enterprises ("SMEs") sector. Our commitment to provide comprehensive and high-quality services to SMEs remained a core business strategy. Examples of our efforts to support our SME customers include innovative products such as our Merchant Receivables Financing. Our dedication to this market was recognized by a number of industry awards received during the year. We were presented with the "Best SME's Partner Award" from The Hong Kong General Chamber of Small and Medium Business and the "Banking & Finance Awards 2019 – Excellence Award for Commercial Finance Solutions" from Sky Post.

Looking at retail banking, we took advantage of our Fintech initiatives to upgrade our virtual banking services and realign our branch network to enhance the customer banking experience. The number of customers using our digital banking services increased during the year and our digital banking services were well-received by our customers for being secure and efficient. We successfully launched an online foreign exchange platform and an integrated API platform to further enhance our digital banking experience. Our efforts in providing exceptional services for our retail customers and promoting green finance also gained recognition. We received the "Tiptop Service Award – Persistently Outstanding Service Company (2018-2019)" from Tiptop Consultants Ltd., and our award-winning credit card platform, "Travel Companion", not only maintained a healthy and stable card portfolio, but again received the "U Magazine Travel Awards 2019 – The Most Favourite Travel Credit Card" from U Magazine, affirming our leading position in the market for "Travel Companion".

We continued our efforts to enhance the "Fubon Experience" by upgrading our digital banking through various Fintech initiatives. The completion of the Core Banking System Replacement Project in 2019 also marked a milestone in our technology development. Through our physical and virtual platforms, we are committed to improving the quality of our services to create a seamless customer service environment.

As a socially responsible organization, we emphasize a corporate culture that includes placing the interests of our customers and staff as a corporate priority. We encourage corporate and staff behaviours that contribute towards environmental sustainability. We have been recognized as a "Hong Kong Green Organisation" by the Environmental Campaign Committee, and we were given the "Charter on External Lighting – Platinum Award" by the Environment Bureau of the HKSAR Government.

本行致力發展香港的中小型企業(「中小企」)業務，為中小企提供全面且優質的服務亦是我們的核心業務策略，如本行推出「先享錢」信用卡商戶貸款等創新產品，以支援中小企客戶。我們在中小企市場的努力於年內獲得多個行業獎項，包括獲香港中小型企業總商會頒發「中小企業最佳拍檔獎」，以及獲《晴報》頒發「Banking & Finance Awards 2019—傑出商業金融方案大獎」。

在零售銀行業務方面，本行運用金融科技提升虛擬銀行服務，並重整分行網絡以提升客戶體驗。我們數位化銀行服務的客戶數目於年內有所增加，而有關服務在安全及效率方面亦深受客戶讚賞。本行成功推出網上外幣兌換平台及綜合應用程式介面平台，進一步提升本行的數位化銀行服務體驗。同時，我們為零售客戶提供卓越服務及在推廣綠色金融方面的努力亦獲得認可。本行不但獲天高管理發展有限公司頒發「天高服務獎—持續超卓表現機構 (2018-2019)」，我們屢獲殊榮的信用卡平台「旅遊夥伴」亦不僅維持了穩健的信用卡貸款組合，更再次獲《U Magazine》頒發「U Magazine 旅遊大獎2019—我最喜愛旅遊信用卡」，肯定了我們在市場上作為「旅遊夥伴」的領導地位。

我們繼續致力透過各種金融科技舉措提升數位化銀行服務，從而提升「富邦體驗」。我們於2019年完成了核心銀行系統的更新工程，標誌著本行技術發展的一個里程碑。透過本行的實體及虛擬平台，我們致力提升服務質素，以建設一個無縫的客戶服務環境。

作為一個對社會負責任的機構，我們的企業文化著重把客戶及員工的利益置於首位。我們鼓勵企業及員工對環境可持續性作出貢獻。去年，本行獲環境運動委員會頒發「香港綠色機構」榮銜，並獲香港特別行政區政府環境局頒發「戶外燈光約章—鉑金獎」。

Over the past years, we have unceasingly made substantial efforts to promote operational efficiency and sustainability. Our paperless plan is part of this initiative, which coupled with our efforts to streamline procedures and processes through automation, will see us achieve this goal. Our deep commitment to empower our staff by providing them with training, education sponsorship and career development earned us the recognition of "Manpower Developer" under the Employees Retraining Board's "ERB Manpower Developer Award Scheme" in 2019. Also, we were awarded the "Talent Development Award 2019" from The Hong Kong Institute of Bankers.

Persistent volatility in the global economy and slower economic growth in both Mainland China and Hong Kong have made operating conditions more challenging than ever. Tariff measures introduced by the U.S. and Chinese governments will continue to depress business sentiment. The novel coronavirus (COVID-19) pandemic is all but assured that 2020 will be a difficult year for the global economy. Nevertheless, the Bank will remain vigilant in its risk management to ensure that a prudent growth strategy is in place to help us capitalize on new opportunities and maintain sustainable growth. As always, we will take advantage of the strengths of our parent company, Fubon Financial Holdings, to reinforce our business in the Greater China Region.

Last but not least, I would like to express my sincere gratitude to our Board, management and all staff members for demonstrating professionalism and perseverance in such a difficult operating environment. Going forward, we will continue to provide high-quality services so that we can become the preferred banking partner of our valued customers and deliver the unique "Fubon Experience".



Daniel M. Tsai
Chairman
April 2020

過去數年，我們不斷提升營運效率及可持續發展。我們的無紙化計劃是此舉措的一部分，加上本行致力透過自動化以精簡程序及流程，我們勢將實現此目標。我們藉著為員工提供培訓、教育資助及職業發展來培育員工，令本行於 2019 年獲僱員再培訓局嘉許為「ERB人才企業嘉許計劃」的「人才企業」，並獲香港銀行學會頒發「人才發展獎」。

全球經濟持續波動，加上中國內地及香港經濟增長放緩，令經營環境較以往更具挑戰性。美國及中國政府推出的關稅措施將繼續壓抑營商氣氛。新型冠狀病毒大流行無疑令 2020 年成為全球經濟最艱難的一年。儘管如此，本行將加強風險管理，堅守穩中求進的策略，助本行把握新機遇及維持可持續增長。我們將繼續憑藉母公司富邦金控的優勢，鞏固我們在大中華地區的業務。

最後，本人謹此向董事會、管理層及全體員工致以衷心謝意，感謝他們在這艱難的經營環境中展現專業且堅毅不屈的精神。展望未來，我們將繼續提供優質的服務，令我們成為尊貴客戶的首選銀行夥伴，為客戶提供獨特的「富邦體驗」。



蔡明忠
主席
2020年4月